



General Assembly

February Session, 2012

Raised Bill No. 450

LCO No. 2521

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Referred to Committee on Energy and Technology

Introduced by:
(ET)

AN ACT CONCERNING ENERGY CONSERVATION AND RENEWABLE ENERGY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) (a) The Fuel Oil
2 Conservation Board shall establish and administer a fuel oil
3 conservation account. The account shall be a separate, nonlapsing
4 account within the General Fund and shall be funded by annual
5 revenue from the tax imposed by section 12-587 of the general statutes
6 on the sale of petroleum products gross earnings that is in excess of the
7 amount of such revenue collected during the fiscal year ending June
8 30, 2011, provided not more than ten million dollars of such revenue
9 shall be allocated to said account in any year. Said funds shall be
10 deposited into the fuel oil conservation account.

11 (b) The Fuel Oil Conservation Board shall allocate specific amounts
12 from the fuel oil conservation account established pursuant to
13 subsection (a) of this section for the purpose of (1) replacing oil heating
14 equipment of residential, commercial or industrial fuel oil customers
15 with oil heating equipment that has an efficiency rating of not less than
16 eighty-five per cent efficient, (2) installing oil heating equipment in

17 buildings with electric resistance heating, and (3) making energy
18 efficient improvements to buildings that use oil heating. Any moneys
19 left in the account at the end of any fiscal year shall be transferred to
20 the General Fund.

21 Sec. 2. (*Effective from passage*) On or before July 1, 2012, the Public
22 Utilities Regulatory Authority shall initiate a docket to review the
23 policies of the authority concerning any gas distribution line extension
24 and modify, consistent with sections 16-19 and 16-19e of the general
25 statutes, the criteria used for determining when such extension is in
26 the interest of gas company ratepayers, including any maximum
27 payback period. On or before January 1, 2013, the authority shall
28 report, in accordance with the provisions of section 11-4a of the general
29 statutes, the findings of such docket and any modification to such
30 criteria to the joint standing committee of the General Assembly
31 having cognizance of matters relating to energy.

32 Sec. 3. (NEW) (*Effective from passage*) (a) On or before July 1, 2012,
33 the Department of Energy and Environmental Protection shall
34 establish a natural gas transportation pilot program to facilitate the
35 deployment of natural gas vehicles in municipalities. Such pilot
36 program shall include not more than three partnerships between
37 municipalities and a natural gas company to encourage the conversion
38 of municipal vehicle fleets to natural gas and to develop natural gas
39 refueling stations. As part of the partnership, (1) the municipality shall
40 commit to acquire a minimum of ten medium or heavy-duty trucks
41 and transit or school buses that operate on compressed natural gas;
42 and (2) the gas company shall install, own and operate a refueling
43 facility on its own property or on municipal property. Such refueling
44 facility shall also be made available to persons other than the
45 municipality.

46 (b) The department shall establish procedures for the pilot program
47 developed pursuant to subsection (a) of this section. Such procedures
48 shall include, but not be limited to, (1) establishment and criteria for

49 grants to municipalities to reimburse the incremental cost of natural
50 gas equipment; (2) development of a list of qualified suppliers to
51 provide such vehicles; (3) development of selection criteria for
52 participation in such pilot program; and (4) establishment of rates and
53 charges for the delivery and supply of such compressed natural gas.
54 Grants to municipalities shall not exceed five hundred thousand
55 dollars per pilot community and shall be (A) provided from within
56 existing appropriations of the Department of Transportation, or (B)
57 recovered from the energy efficiency adjustment rate of the
58 participating gas company.

59 (c) Notwithstanding title 16 of the general statutes, the Department
60 of Energy and Environmental Protection and the Public Utilities
61 Regulatory Authority shall allow a gas company to recover the
62 reasonable costs of such pilot program on a timely basis, including a
63 return on investment, which shall include adoption of an adjustment
64 rate that uses a methodology consistent with rates approved pursuant
65 to section 16-19b of the general statutes.

66 (d) On or before January 1, 2014, and annually thereafter, the
67 department shall report, in accordance with the provisions of section
68 11-4a of the general statutes, to the joint standing committees of the
69 General Assembly having cognizance of matters relating to
70 transportation, energy and the environment regarding the progress of
71 such program.

72 Sec. 4. (*Effective from passage*) The Department of Energy and
73 Environmental Protection shall examine the costs and benefits of
74 developing programs to (1) encourage conversion of buildings using
75 heating oil to natural gas, and (2) increase the efficiency of heating oil
76 use. On or before January 1, 2013, the department shall report, in
77 accordance with the provisions of section 11-4a of the general statutes,
78 the findings of such examination and recommendations concerning the
79 implementation of such programs to the joint standing committee of
80 the General Assembly having cognizance of matters relating to energy.

81 Sec. 5. (*Effective from passage*) The Department of Energy and
82 Environmental Protection shall conduct a study, in consultation with
83 the Department of Consumer Protection, to identify barriers to
84 participation by heating oil dealers in the promotion of energy
85 efficiency. On or before January 1, 2013, the department shall report, in
86 accordance with the provisions of section 11-4a of the general statutes,
87 the findings of such study and identify such barriers to the joint
88 standing committee of the General Assembly having cognizance of
89 matters relating to energy.

90 Sec. 6. Subsection (a) of section 20-417d of the general statutes is
91 repealed and the following is substituted in lieu thereof (*Effective July*
92 *1, 2012*):

93 (a) A new home construction contractor shall (1) prior to entering
94 into a contract with a consumer for new home construction, provide to
95 the consumer a copy of the new home construction contractor's
96 certificate of registration and a written notice that (A) discloses that the
97 certificate of registration does not represent in any manner that such
98 contractor's registration constitutes an endorsement of the quality of
99 such person's work or of such contractor's competency by the
100 commissioner, (B) advises the consumer to contact the Department of
101 Consumer Protection to determine (i) if such contractor is registered in
102 this state as a new home construction contractor, (ii) if any complaints
103 have been filed against such contractor, and (iii) the disposition of any
104 such complaints, (C) advises the consumer to request from such
105 contractor a list of consumers of new homes constructed to completion
106 by the contractor during the previous twenty-four months and to
107 contact several individuals on the list to discuss the quality of such
108 contractor's new home construction work, and (D) discloses each
109 corporation, limited liability company, partnership, sole proprietorship
110 or other legal entity, which is or has been a new home construction
111 contractor under the provisions of this chapter or a home
112 improvement contractor under the provisions of chapter 400, in which
113 the owner or owners of the new home construction contractor

114 providing the written notice required by this section are or have been a
115 shareholder, member, partner or owner during the previous five years,
116 (2) state in any advertisement, including any advertisement in a
117 telephone directory, the fact that such contractor is registered, and (3)
118 include such contractor's registration number in any such
119 advertisement. The new home construction contractor, or his agent,
120 shall also discuss with the consumer the installation of an automatic
121 fire extinguishing system and inform such consumer of the availability
122 of any state or federal incentives for installing energy efficient options
123 in a new home.

124 Sec. 7. (NEW) (*Effective July 1, 2012*) Any contractor, prior to
125 entering into a contract with a consumer for construction of any new
126 commercial or industrial building, shall inform such consumer of any
127 state or federal incentives for installing energy efficient options in such
128 building.

129 Sec. 8. Section 16-32g of the general statutes is repealed and the
130 following is substituted in lieu thereof (*Effective July 1, 2012*):

131 (a) Not later than January 1, 2008, and annually thereafter, each
132 electric or electric distribution company shall submit to the Public
133 Utilities Regulatory Authority a plan for the maintenance of poles,
134 wires, conduits or other fixtures, along public highways or streets for
135 the transmission or distribution of electric current, owned, operated,
136 managed or controlled by such company, in such format as the
137 authority shall prescribe. Such plan shall include a summary of
138 appropriate staffing levels necessary for the maintenance of said
139 fixtures and a program for the trimming of tree branches and limbs
140 located in close proximity to overhead electric wires where such
141 branches and limbs may cause damage to such electric wires. The
142 authority shall review each plan and may issue such orders as may be
143 necessary to ensure compliance with this section. The authority may
144 require each electric or electric distribution company to submit an
145 updated plan at such time and containing such information as the

146 authority may prescribe. The authority shall adopt regulations, in
147 accordance with the provisions of chapter 54, to carry out the
148 provisions of this section.

149 (b) Not later than October 1, 2012, each electric distribution
150 company shall submit to the Public Utilities Regulatory Authority an
151 application for approval of a ten-year plan to strengthen such
152 company's electric distribution infrastructure and to improve the
153 performance and resiliency of such company's infrastructure during
154 any natural disaster. Such plan shall identify the operational,
155 maintenance and capital projects deemed necessary by such company
156 to improve electric system resiliency, including vegetation
157 management, the costs of such projects and the expected benefit such
158 projects would have on the electric system. Such plan shall include
159 strategies for evaluating and preparing storm response resources,
160 planning and drilling exercises with each municipality and the state
161 and any other activity necessary to prepare for any natural disaster.
162 Such plan shall include an analysis of the impact of such plan on
163 ratepayers. The authority shall approve, or modify and approve, such
164 plan not later than one hundred fifty days after such plan was
165 submitted to the authority by any electric distribution company. After
166 such approval, such company shall implement such plan. Such
167 company shall file annual progress reports of the implementation of
168 such plan with the authority. Every three years after such approval,
169 the authority shall reexamine such plan and, to the extent necessary
170 and practical, modify such plan. Eight years after the authority
171 approves any plan submitted by any electric distribution company
172 pursuant to this subsection, or upon the request of the authority, such
173 company shall submit to the authority a new ten-year plan for the
174 period following any such existing plan.

175 (c) Any electric distribution company may include in any
176 application for approval of a ten-year plan submitted pursuant to
177 subsection (b) of this section provisions for placing any portion of such
178 company's facilities underground, including any feeder for any critical

179 or emergency facility, that will improve the availability of electric
180 service. Such company shall negotiate with any municipality to
181 identify such undergrounding projects. Such company shall obtain
182 preapproval of such project from the authority, provided such
183 company shall recover any cost of such project from the municipality
184 in which such project is located based on the benefit such municipality
185 receives from such project or pursuant to subsection (e) of this section.
186 Any such project shall be eligible for any state or federal incentive,
187 grant or credit.

188 (d) Notwithstanding sections 16-19ss and 16-244e, any electric
189 distribution company may include in any application for approval of a
190 ten-year plan submitted pursuant to subsection (b) of this section
191 provisions for such company to petition the authority to own and
192 operate, on municipal or state property, any renewable resources
193 facilities, combined heat and power systems and fuel cells that produce
194 electric energy that will improve the availability of electric service to
195 critical or emergency facilities during natural disasters or other
196 emergencies. Any project owned or operated pursuant to this
197 subsection shall initially entail renewable resources authorized
198 pursuant to section 16-244v, as amended by this act. Such electric
199 distribution company shall negotiate with the municipality in which
200 such project is located to identify critical or emergency facilities at
201 which such project is located and the terms of usage for such project.
202 Such company shall obtain preapproval of such project from the
203 authority, provided such company shall recover any cost of such
204 project from the municipality in which such project is located based on
205 the benefit such municipality receives from such project or pursuant to
206 subsection (e) of this section. Any such project shall be eligible for any
207 state or federal incentive, grant or credit including, but not limited to,
208 those available under programs administered by the Clean Energy
209 Finance and Investment Authority. Nothing in this subsection shall
210 prevent an electric distribution company from proceeding with any
211 project pursuant to section 16-244v, as amended by this act, prior to
212 approval of such application on a pilot basis, provided such pilot

213 program shall be limited to less than five municipalities.

214 (e) The authority shall allow the reasonable costs incurred by an
 215 electric distribution company preparing an application or
 216 implementing a plan approved pursuant to this section to be recovered
 217 in such company's systems benefits charge pursuant to section 16-245L,
 218 as amended by this act.

219 Sec. 9. Section 16-234 of the general statutes is repealed and the
 220 following is substituted in lieu thereof (*Effective July 1, 2012*):

221 (a) As used in this section, "utility clearance zone" means any
 222 rectangular area extending horizontally for a distance of ten feet from
 223 any outermost electrical conductor and vertically from the ground to
 224 the sky.

225 (b) No telegraph, telephone or electric light company or association,
 226 nor any company or association engaged in distributing electricity by
 227 wires or similar conductors or in using an electric wire or conductor
 228 for any purpose, shall exercise any powers which may have been
 229 conferred upon it to change the location of, or to erect or place, wires,
 230 conductors, fixtures, structures or apparatus of any kind over, on or
 231 under any highway or public ground, without the consent of the
 232 adjoining proprietors, or, if such company or association is unable to
 233 obtain such consent, without the approval of the Public Utilities
 234 Regulatory Authority, which shall be given only after a hearing upon
 235 notice to such proprietors; or to cut or trim any tree on or overhanging
 236 any highway, [or] utility right-of-way or easement, public ground,
 237 [without the consent of the owner thereof, or, if such company or
 238 association is unable to obtain such consent, without the approval of
 239 the tree warden or the consent of the authority, which consent shall be
 240 given only after] or any property abutting the property on which such
 241 tree or any limb of such tree may fall into any such wire or conductor
 242 as a result of any natural cause, including wind, snow, ice or disease,
 243 prior to (1) publication, in a newspaper of general circulation in the
 244 area in which such tree is located, of such company's or association's

245 intent to cut or trim such tree or limb, and (2) providing notice to the
 246 municipal tree warden of the municipality in which such tree is located
 247 and the Commissioner of Transportation. The owner of any property
 248 adjoining the property on which such tree is located, such tree warden
 249 or the commissioner may object to the cutting or trimming of such tree
 250 by filing a formal objection with the authority not later than ten days
 251 after such publication or such notice was received. If such property
 252 owner, such tree warden or the commissioner files any such objection,
 253 a hearing [upon] shall be held by the authority and the authority shall
 254 provide notice of such hearing to such property owner, such tree
 255 warden or the commissioner; but the authority may, if it finds that
 256 public convenience and necessity require, authorize the changing of
 257 the location of, or the erection or placing of, such wires, conductors,
 258 fixtures, structures or apparatus over, on or under such highway or
 259 public ground; and the [tree warden in any town or the] authority
 260 may, if [he or] it finds that public convenience and necessity require,
 261 authorize the cutting and trimming and the keeping trimmed of any
 262 brush or tree in such town on or overhanging such highway or public
 263 ground, which action shall be taken only after notice and hearing as
 264 aforesaid, which hearing shall be held within a reasonable time after
 265 the [application] objection therefor.

266 (c) No telegraph, telephone or electric light company or association
 267 nor any company or association engaged in distributing electricity by
 268 wires or similar conductors or in using an electric wire or conductor
 269 for any purpose shall be required to provide notice for any tree cutting
 270 or trimming pursuant to subsection (b) of this section if such tree
 271 cutting or trimming removes branches, limbs and other vegetation
 272 inside the utility clearance zone and such tree has a diameter not
 273 greater than twelve inches when measured four and one-half feet
 274 above the ground.

275 Sec. 10. Subsection (a) of section 13a-140 of the general statutes is
 276 repealed and the following is substituted in lieu thereof (*Effective July*
 277 *1, 2012*):

278 (a) The commissioner may cut, remove or prune any tree, shrub or
279 other vegetation situated wholly or partially within the limits of any
280 state highway so far as is reasonably necessary for safe and convenient
281 travel thereon. No person, firm or corporation, and no officer, agent or
282 employee of any municipal or other corporation, shall cut, remove or
283 prune any tree, shrub or vegetation situated partially or wholly within
284 the limits of any such highway without first obtaining from said
285 commissioner a written permit therefor, provided however, that
286 nothing contained in this [subsection] section shall limit the rights of
287 public service companies, as defined in section 16-1, as amended by
288 this act, to cut and trim trees and branches and otherwise protect their
289 lines, wires, conduits, cables and other equipment from encroaching
290 vegetation pursuant to section 16-234, as amended by this act. [No
291 such permit shall be issued by the commissioner unless the chief
292 elected official of the municipality in which any tree with a diameter
293 greater than eighteen inches is situated is notified in writing. The
294 notice shall include the location and a description of such tree to be cut
295 or removed.] No such permit for the removal of any such tree, shrub or
296 vegetation shall be refused if such removal is necessary for that use of
297 such adjoining land which is of the highest pecuniary value. If such
298 permit is refused on any state highway right-of-way, where the state
299 does not own the right-of-way in fee, the owner of such tree, shrub or
300 vegetation may, within thirty days thereafter, request said
301 commissioner in writing to purchase or condemn an easement for the
302 purpose of maintaining such tree, shrub or vegetation and, if said
303 commissioner does not purchase the same, he shall condemn it, in the
304 manner provided for the condemnation of land for the construction,
305 alteration, extension or widening of state highways. Any payment so
306 made shall be from funds appropriated to the Department of
307 Transportation. Said commissioner may plant, set out and care for
308 trees, shrubs or vegetation within the limits of such highways and, by
309 agreement with the owner of land adjoining such highways, upon
310 such adjoining land. Upon request in writing within thirty days of
311 planting of trees, shrubs or vegetation to delimit boundaries of a

312 highway by an adjoining owner not agreeing thereto, said
313 commissioner shall purchase or condemn an easement for the purpose
314 of maintaining such tree, shrub or vegetation in the manner provided
315 in this subsection. When the removal of such tree, shrub or vegetation
316 is necessary for that use of such adjoining land which is of the highest
317 pecuniary value, said commissioner shall remove the same upon
318 payment to him of all sums paid for said planting and for any such
319 easement with interest at the rate of six per cent per annum. Any
320 person, firm or corporation cutting, removing, damaging or pruning
321 any tree, shrub or vegetation in violation of the provisions of this
322 subsection, whether it was planted by the commissioner or not,
323 without a permit from said commissioner, shall be fined not more than
324 one thousand dollars for each such violation and shall be liable civilly
325 for any damage in an action brought by said commissioner.

326 Sec. 11. Section 23-65 of the general statutes is repealed and the
327 following is substituted in lieu thereof (*Effective July 1, 2012*):

328 (a) Any person, firm or corporation which affixes to a telegraph,
329 telephone, electric light or power pole, or to a tree, shrub, rock or other
330 natural object in any public way or grounds, a playbill, picture, notice,
331 advertisement or other similar thing, or cuts, paints or marks such tree,
332 shrub, rock or other natural object, except for the purpose of protecting
333 it or the public and under a written permit from the town tree warden,
334 the borough tree warden, city forester or Commissioner of
335 Transportation, as the case may be, or, without the consent of the tree
336 warden or of the officer with similar duties, uses climbing spurs for the
337 purpose of climbing any ornamental or shade tree within the limits of
338 any public highway or grounds, shall be fined not more than fifty
339 dollars for each offense.

340 (b) Any person, firm or corporation, other than a tree warden or
341 deputy tree warden, who removes, prunes, injures or defaces any
342 shrub or ornamental or shade tree, within the limits of a public way or
343 grounds, without the legal right or written permission of the town tree

warden, the borough tree warden, the city forester, the Commissioner of Transportation, the Public Utilities Regulatory Authority or other authority having jurisdiction, may be ordered by the court in any action brought by the property owner or the authority having jurisdiction affected thereby to restore the land to its condition as it existed prior to such violation or shall award the landowner the costs of such restoration, including reasonable management costs necessary to achieve such restoration, reasonable attorney's fees and costs and such injunctive or equitable relief as the court deems appropriate. In addition, the court may award damages of up to five times the cost of restoration or statutory damages of up to five thousand dollars. In determining the amount of the award, the court shall consider the willfulness of the violation, the extent of damage done to natural resources, if any, the appraised value of the shrub or ornamental or shade tree, any economic gain realized by the violator and any other relevant factors. The appraised value shall be determined by the town tree warden, the borough tree warden, the city forester, the Commissioner of Transportation, the Public Utilities Regulatory Authority or other authority having jurisdiction and shall be determined in accordance with regulations adopted by the Commissioner of Energy and Environmental Protection. The commissioner shall adopt regulations, in accordance with the provisions of chapter 54, to develop guidelines for such plant appraisal. The regulations may incorporate by reference the latest revision of The Guide for Plant Appraisal, as published by the International Society of Arboriculture, Urbana, Illinois. Until such time as regulations are adopted, appraisals may be made in accordance with said Guide for Plant Appraisal. The provisions of this subsection shall not apply to any public service company acting in accordance with section 16-234, as amended by this act.

(c) Any person, firm or corporation which deposits or throws any advertisement within the limits of any public way or grounds, or upon private premises or property, unless the same is left at the door of the residence or place of business of the occupant of such premises or

378 property, or deposits or throws any refuse paper, camp or picnic
379 refuse, junk or other material within the limits of any public way or
380 grounds, except at a place designated for that purpose by the authority
381 having supervision and control of such public way or grounds, or
382 upon private premises or property without permission of the owner
383 thereof, or affixes to or maintains upon any tree, rock or other natural
384 object within the limits of a public way or grounds any paper or
385 advertisement other than notices posted in accordance with the
386 provisions of the statutes, or affixes to or maintains, upon the property
387 of another without his consent, any word, letter, character or device
388 intended to advertise the sale of any article, shall be fined not more
389 than fifty dollars or imprisoned not more than six months or both for
390 each offense.

391 (d) The removal, pruning or wilful injury of any shrub or
392 ornamental or shade tree, or the use of climbing spurs upon any
393 ornamental or shade tree without the consent of the tree warden or of
394 the officer with similar duties or the affixing of any playbill, picture,
395 notice, advertisement or other similar thing concerning the business or
396 affairs of any person, firm or corporation, to a pole, shrub, tree, rock or
397 other natural object, within the limits of any public way or grounds in
398 violation of the provisions of this section by an agent or employee of
399 such person, firm or corporation, shall be deemed to be the act of such
400 person, firm or corporation, and such person, or any member of such
401 firm or any officer of such corporation, as the case may be, shall be
402 subject to the penalty herein provided, unless such act is shown to
403 have been done without his knowledge or consent.

404 (e) The affixing of each individual playbill, picture, notice,
405 advertisement or other similar thing to a pole, shrub, tree, rock or
406 other natural object, or the wilful removing, pruning, injuring or
407 defacing of each shrub or tree, or the throwing of each individual
408 advertisement or lot of refuse paper or other material within the limits
409 of any public way or grounds or on private premises, shall constitute a
410 separate violation of the provisions of this section. Nothing in this

411 section shall affect the authority of a tree warden, either by himself or
412 by a person receiving a written permit from him, to remove, prune or
413 otherwise deal with a shrub or tree under his jurisdiction.

414 [(f) Any person, firm or corporation, other than a tree warden or his
415 deputy, who desires the cutting or removal, in whole or in part, of any
416 tree or shrub or part thereof within the limits of any public road or
417 grounds, may apply in writing to the town tree warden, the borough
418 tree warden or the Commissioner of Transportation or other authority
419 having jurisdiction thereof for a permit so to do. Upon receipt of such
420 permit, but not before, he may proceed with such cutting or removal.
421 Before granting or denying such permit, such authority may hold a
422 public hearing as provided in section 23-59, and when the applicant is
423 a public utility corporation, the party aggrieved by such decision may,
424 within ten days, appeal therefrom to the Public Utilities Regulatory
425 Authority, which shall have the power to review, confirm, change or
426 set aside the decision appealed from and its decision shall be final. This
427 shall be in addition to the powers granted to it under section 16-234,
428 provided, if an application for such permit has been made to either a
429 tree warden or the Commissioner of Transportation or other authority
430 and denied by him, an application for a permit for the same relief shall
431 not be made to any other such authority. Upon any approval of such a
432 permit by the Commissioner of Transportation, he shall notify the tree
433 warden for the town in which the tree is located. Upon any approval of
434 such a permit by the Commissioner of Transportation, the permittee
435 shall notify the tree warden for the town in which the tree is located
436 prior to cutting any such tree.]

437 Sec. 12. Section 16-245*l* of the general statutes is repealed and the
438 following is substituted in lieu thereof (*Effective July 1, 2012*):

439 (a) The Public Utilities Regulatory Authority shall establish and
440 each electric distribution company shall collect a systems benefits
441 charge to be imposed against all end use customers of each electric
442 distribution company beginning January 1, 2000. The authority shall

443 hold a hearing that shall be conducted as a contested case in
444 accordance with chapter 54 to establish the amount of the systems
445 benefits charge. The authority may revise the systems benefits charge
446 or any element of said charge as the need arises. The systems benefits
447 charge shall be used to fund (1) the expenses of the public education
448 outreach program developed under subsections (a), (f) and (g) of
449 section 16-244d other than expenses for authority staff, (2) the
450 reasonable and proper expenses of the education outreach consultant
451 pursuant to subsection (d) of section 16-244d, (3) the cost of hardship
452 protection measures under sections 16-262c and 16-262d and other
453 hardship protections, including, but not limited to, electric service bill
454 payment programs, funding and technical support for energy
455 assistance, fuel bank and weatherization programs and weatherization
456 services, (4) the payment program to offset tax losses described in
457 section 12-94d, (5) any sums paid to a resource recovery authority
458 pursuant to subsection (b) of section 16-243e, (6) low income
459 conservation programs approved by the Public Utilities Regulatory
460 Authority, (7) displaced worker protection costs, (8) unfunded storage
461 and disposal costs for spent nuclear fuel generated before January 1,
462 2000, approved by the appropriate regulatory agencies, (9)
463 postretirement safe shutdown and site protection costs that are
464 incurred in preparation for decommissioning, (10) decommissioning
465 fund contributions, (11) the costs of temporary electric generation
466 facilities incurred pursuant to section 16-19ss, (12) operating expenses
467 for the Connecticut Energy Advisory Board, (13) costs associated with
468 the Connecticut electric efficiency partner program established
469 pursuant to section 16-243v, (14) reinvestments and investments in
470 energy efficiency programs and technologies pursuant to section 16a-
471 38l, costs associated with the electricity conservation incentive
472 program established pursuant to section 119 of public act 07-242, [and]
473 (15) legal, appraisal and purchase costs of a conservation or land use
474 restriction and other related costs as the authority in its discretion
475 deems appropriate, incurred by a municipality on or before January 1,
476 2000, to ensure the environmental, recreational and scenic preservation

477 of any reservoir located within this state created by a pump storage
478 hydroelectric generating facility, (16) incremental capital and operating
479 costs related to preparation and implementation of any plan approved
480 pursuant to section 16-32g, as amended by this act, or any tree cutting
481 or trimming performed pursuant to section 16-234, as amended by this
482 act, and (17) the cost of the study of the operation of the regional
483 independent system operator initiated by the Department of Energy
484 and Environmental Protection pursuant to section 35 of public act 11-
485 80. As used in this subsection, "displaced worker protection costs"
486 means the reasonable costs incurred, prior to January 1, 2008, (A) by an
487 electric supplier, exempt wholesale generator, electric company, an
488 operator of a nuclear power generating facility in this state or a
489 generation entity or affiliate arising from the dislocation of any
490 employee other than an officer, provided such dislocation is a result of
491 (i) restructuring of the electric generation market and such dislocation
492 occurs on or after July 1, 1998, or (ii) the closing of a Title IV source or
493 an exempt wholesale generator, as defined in 15 USC 79z-5a, on or
494 after January 1, 2004, as a result of such source's failure to meet
495 requirements imposed as a result of sections 22a-197 and 22a-198 and
496 this section or those Regulations of Connecticut State Agencies
497 adopted by the Department of Energy and Environmental Protection,
498 as amended from time to time, in accordance with Executive Order
499 Number 19, issued on May 17, 2000, and provided further such costs
500 result from either the execution of agreements reached through
501 collective bargaining for union employees or from the company's or
502 entity's or affiliate's programs and policies for nonunion employees,
503 and (B) by an electric distribution company or an exempt wholesale
504 generator arising from the retraining of a former employee of an
505 unaffiliated exempt wholesale generator, which employee was
506 involuntarily dislocated on or after January 1, 2004, from such
507 wholesale generator, except for cause. "Displaced worker protection
508 costs" includes costs incurred or projected for severance, retraining,
509 early retirement, outplacement, coverage for surviving spouse
510 insurance benefits and related expenses. "Displaced worker protection

511 costs" does not include those costs included in determining a tax credit
512 pursuant to section 12-217bb.

513 (b) The amount of the systems benefits charge shall be determined
514 by the authority in a general and equitable manner and shall be
515 imposed on all end use customers of each electric distribution
516 company at a rate that is applied equally to all customers of the same
517 class in accordance with methods of allocation in effect on July 1, 1998,
518 provided the [system] systems benefits charge shall not be imposed on
519 customers receiving services under a special contract which is in effect
520 on July 1, 1998, until such special contracts expire. The [system]
521 systems benefits charge shall be imposed beginning on January 1, 2000,
522 on all customers receiving services under a special contract which are
523 entered into or renewed after July 1, 1998. The systems benefits charge
524 shall have a generally applicable manner of determination that may be
525 measured on the basis of percentages of total costs of retail sales of
526 generation services. The systems benefits charge shall be payable on an
527 equal basis on the same payment terms and shall be eligible or subject
528 to prepayment on an equal basis. Any exemption of the systems
529 benefits charge by customers under a special contract shall not result
530 in an increase in rates to any customer.

531 Sec. 13. Subsection (a) of section 16-1 of the 2012 supplement to the
532 general statutes is amended by adding subdivision (53) as follows
533 (*Effective July 1, 2012*):

534 (NEW) (53) "Micro-grid" means a localized configuration of load
535 and one or more customer-side distributed resources, as defined in
536 subdivision (40) of subsection (a) of this section, that operates
537 connected to and synchronous with the electric distribution and
538 transmission system and has the ability to disconnect and function
539 autonomously as necessary to ensure local reliability, including, but
540 not limited to, any combined heat and power system that qualifies as a
541 Class III source, as defined in subdivision (44) of subsection (a) of this
542 section.

543 Sec. 14. Section 16-245a of the general statutes is repealed and the
544 following is substituted in lieu thereof (*Effective July 1, 2012*):

545 (a) An electric supplier and an electric distribution company
546 providing standard service or supplier of last resort service, pursuant
547 to section 16-244c, shall demonstrate:

548 (1) On and after January 1, 2006, that not less than two per cent of
549 the total output or services of any such supplier or distribution
550 company shall be generated from Class I renewable energy sources
551 and an additional three per cent of the total output or services shall be
552 from Class I or Class II renewable energy sources;

553 (2) On and after January 1, 2007, not less than three and one-half per
554 cent of the total output or services of any such supplier or distribution
555 company shall be generated from Class I renewable energy sources
556 and an additional three per cent of the total output or services shall be
557 from Class I or Class II renewable energy sources;

558 (3) On and after January 1, 2008, not less than five per cent of the
559 total output or services of any such supplier or distribution company
560 shall be generated from Class I renewable energy sources and an
561 additional three per cent of the total output or services shall be from
562 Class I or Class II renewable energy sources;

563 (4) On and after January 1, 2009, not less than six per cent of the
564 total output or services of any such supplier or distribution company
565 shall be generated from Class I renewable energy sources and an
566 additional three per cent of the total output or services shall be from
567 Class I or Class II renewable energy sources;

568 (5) On and after January 1, 2010, not less than seven per cent of the
569 total output or services of any such supplier or distribution company
570 shall be generated from Class I renewable energy sources and an
571 additional three per cent of the total output or services shall be from
572 Class I or Class II renewable energy sources;

573 (6) On and after January 1, 2011, not less than eight per cent of the
574 total output or services of any such supplier or distribution company
575 shall be generated from Class I renewable energy sources and an
576 additional three per cent of the total output or services shall be from
577 Class I or Class II renewable energy sources;

578 (7) On and after January 1, 2012, not less than nine per cent of the
579 total output or services of any such supplier or distribution company
580 shall be generated from Class I renewable energy sources and an
581 additional three per cent of the total output or services shall be from
582 Class I or Class II renewable energy sources;

583 (8) On and after January 1, 2013, not less than ten per cent of the
584 total output or services of any such supplier or distribution company
585 shall be generated from Class I renewable energy sources and an
586 additional three per cent of the total output or services shall be from
587 Class I or Class II renewable energy sources;

588 (9) On and after January 1, 2014, not less than eleven per cent of the
589 total output or services of any such supplier or distribution company
590 shall be generated from Class I renewable energy sources and an
591 additional three per cent of the total output or services shall be from
592 Class I or Class II renewable energy sources;

593 (10) On and after January 1, 2015, not less than twelve and one-half
594 per cent of the total output or services of any such supplier or
595 distribution company shall be generated from Class I renewable
596 energy sources and an additional three per cent of the total output or
597 services shall be from Class I or Class II renewable energy sources;

598 (11) On and after January 1, 2016, not less than fourteen per cent of
599 the total output or services of any such supplier or distribution
600 company shall be generated from Class I renewable energy sources
601 and an additional three per cent of the total output or services shall be
602 from Class I or Class II renewable energy sources;

603 (12) On and after January 1, 2017, not less than fifteen and one-half
604 per cent of the total output or services of any such supplier or
605 distribution company shall be generated from Class I renewable
606 energy sources and an additional three per cent of the total output or
607 services shall be from Class I or Class II renewable energy sources;

608 (13) On and after January 1, 2018, not less than seventeen per cent of
609 the total output or services of any such supplier or distribution
610 company shall be generated from Class I renewable energy sources
611 and an additional three per cent of the total output or services shall be
612 from Class I or Class II renewable energy sources;

613 (14) On and after January 1, 2019, not less than nineteen and one-
614 half per cent of the total output or services of any such supplier or
615 distribution company shall be generated from Class I renewable
616 energy sources and an additional three per cent of the total output or
617 services shall be from Class I or Class II renewable energy sources;

618 (15) On and after January 1, 2020, not less than twenty per cent of
619 the total output or services of any such supplier or distribution
620 company shall be generated from Class I renewable energy sources
621 and an additional three per cent of the total output or services shall be
622 from Class I or Class II renewable energy sources.

623 (b) An electric supplier or electric distribution company may satisfy
624 the requirements of this section (1) by purchasing certificates issued by
625 the New England Power Pool Generation Information System,
626 provided the certificates are for (A) energy produced by a generating
627 unit using Class I or Class II renewable energy sources and the
628 generating unit is located in the jurisdiction of the regional
629 independent system operator, [or] (B) energy produced by a micro-
630 grid, or (C) energy imported into the control area of the regional
631 independent system operator pursuant to New England Power Pool
632 Generation Information System Rule 2.7(c), as in effect on January 1,
633 2006; (2) for those renewable energy certificates under contract to serve
634 end-use customers in the state on or before October 1, 2006, by

635 participating in a renewable energy trading program within said
636 jurisdictions as approved by the Public Utilities Regulatory Authority;
637 or (3) by purchasing eligible renewable electricity and associated
638 attributes from residential customers who are net producers. Any
639 Class I renewable energy certificate may be used to satisfy the
640 requirements of this section in the year during which such certificate is
641 generated and the following two years.

642 (c) On and after January 1, 2012, not less than twenty-five per cent of
643 the applicable requirements established in subsection (a) of this section
644 shall be generated from micro-grids. The percentage established
645 pursuant to this subsection shall serve as an offset to the renewable
646 portfolio standards established pursuant to subsection (a) of this
647 section and shall reduce the corresponding Class I renewable energy
648 requirement.

649 ~~[(c)]~~ (d) Any supplier who provides electric generation services
650 solely from a Class II renewable energy source shall not be required to
651 comply with the provisions of this section.

652 ~~[(d)]~~ (e) An electric supplier or an electric distribution company
653 shall base its demonstration of generation sources, as required under
654 subsection (a) of this section on historical data, which may consist of
655 data filed with the regional independent system operator.

656 ~~[(e)]~~ (f) (1) A supplier or an electric distribution company may make
657 up any deficiency within its renewable energy portfolio within the first
658 three months of the succeeding calendar year or as otherwise provided
659 by generation information system operating rules approved by New
660 England Power Pool or its successor to meet the generation source
661 requirements of subsection (a) of this section for the previous year.

662 (2) No such supplier or electric distribution company shall receive
663 credit for the current calendar year for generation from Class I or Class
664 II renewable energy sources pursuant to this section where such
665 supplier or distribution company receives credit for the preceding

666 calendar year pursuant to subdivision (1) of this subsection.

667 [(f)] (g) The authority shall adopt regulations, in accordance with
668 the provisions of chapter 54, to implement the provisions of this
669 section.

670 [(g)] (h) (1) Notwithstanding the provisions of this section and
671 section 16-244c, for periods beginning on and after January 1, 2008,
672 each electric distribution company may procure renewable energy
673 certificates from Class I, Class II and Class III renewable energy
674 sources through long-term contracting mechanisms. The electric
675 distribution companies may enter into long-term contracts for not
676 more than fifteen years to procure such renewable energy certificates.
677 The electric distribution companies shall use any renewable energy
678 certificates obtained pursuant to this section to meet their standard
679 service and supplier of last resort renewable portfolio standard
680 requirements.

681 (2) On or before July 1, 2007, the authority shall initiate a contested
682 case proceeding to examine whether long-term contracts should be
683 used to procure Class I, Class II and Class III certificates. In such
684 examination, the authority shall determine (A) the impact of such
685 contracts on price stability, fuel diversity and cost; (B) the method and
686 timing of crediting of the procurement of renewable energy certificates
687 against the renewable portfolio standard purchase obligations of
688 electric suppliers and the electric distribution companies pursuant to
689 subsection (a) of this section; (C) the terms and conditions, including
690 reasonable performance assurance commitments, that may be imposed
691 on entities seeking to supply renewable energy certificates; (D) the
692 level of one-time compensation, not to exceed one mill per kilowatt
693 hour of output and services associated with the renewable energy
694 certificates purchased pursuant to this subsection, which may be
695 payable to the electric distribution companies for administering the
696 procurement provided for under this subsection and recovered as part
697 of the generation services charge or through an appropriate

698 nonbypassable rate component on customers' bills; (E) the manner in
699 which costs for such program may be recovered from electric
700 distribution company customers; and (F) any other issues the authority
701 deems appropriate. Revenues from such compensation shall not be
702 included in calculating the electric distribution companies' earnings to
703 determine if rates are just and reasonable, for earnings sharing
704 mechanisms or for purposes of sections 16-19, 16-19a and 16-19e.

705 Sec. 15. (NEW) (*Effective from passage*) On or before January 1, 2013,
706 the Public Utilities Regulatory Authority shall conduct a proceeding to
707 review and, as appropriate, eliminate any disparity between each
708 electric distribution company concerning any demand charge for
709 geothermal systems.

710 Sec. 16. (NEW) (*Effective July 1, 2012*) Notwithstanding the
711 provisions of section 16-1 of the general statutes, as amended by this
712 act, no person using wires, conduits or other fixtures along public
713 highways or streets to transmit or distribute electricity between
714 facilities owned by such person, provided such electricity is for the
715 exclusive use of such person, will be deemed an electric distribution
716 company.

717 Sec. 17. Subparagraph (B) of subdivision (2) of subsection (f) of
718 section 16-245o of the 2012 supplement to the general statutes is
719 repealed and the following is substituted in lieu thereof (*Effective July*
720 *1, 2012*):

721 (B) For door-to-door sales to customers with a maximum demand of
722 one hundred kilowatts, which shall include the sale of electric
723 generation services in which the electric supplier, aggregator or agent
724 of an electric supplier or aggregator solicits the sale and receives the
725 customer's agreement or offer to purchase at a place other than the
726 seller's place of business, provided such agreement or offer to purchase
727 resulted from an unsolicited sales call, be conducted (i) in accordance
728 with any municipal and local ordinances regarding door-to-door
729 solicitations, (ii) between the hours of ten o'clock a.m. and six o'clock

730 p.m., [unless the customer schedules an earlier or later appointment,]
731 and (iii) with both English and Spanish written materials available.
732 Any representative of an electric supplier, aggregator or agent of an
733 electric supplier or aggregator shall prominently display or wear a
734 photo identification badge stating the name of such person's employer
735 or the electric supplier the person represents.

736 Sec. 18. Subsection (b) of section 16-244r of the 2012 supplement to
737 the general statutes is repealed and the following is substituted in lieu
738 thereof (*Effective July 1, 2012*):

739 (b) Solicitations conducted by the electric distribution company
740 shall be for the purchase of renewable energy credits produced by
741 eligible customer-sited generating projects over the duration of the
742 long-term contract. For purposes of this section, a long-term contract is
743 a contract for fifteen years. Such renewable energy credits shall be
744 eligible for use in renewable energy portfolio standards compliance in
745 the year during which such credits are generated and the following
746 two years.

747 Sec. 19. Subsection (b) of section 16-244t of the 2012 supplement to
748 the general statutes is repealed and the following is substituted in lieu
749 thereof (*Effective July 1, 2012*):

750 (b) Solicitations conducted by the electric distribution company
751 shall be for the purchase of renewable energy credits produced by
752 eligible customer-sited generating projects over the duration of the
753 contract. Such renewable energy credits shall be eligible for use in
754 renewable energy portfolio standards compliance in the year during
755 which such credits are generated and the following two years.

756 Sec. 20. Section 16-244v of the 2012 supplement to the general
757 statutes is repealed and the following is substituted in lieu thereof
758 (*Effective from passage*):

759 (a) Notwithstanding subsection (a) of section 16-244e, an electric

760 distribution company, or owner or developer of generation projects
761 that emit no pollutants, may submit a proposal to the Department of
762 Energy and Environmental Protection to build, own or operate one or
763 more generation facilities up to an aggregate of thirty megawatts,
764 except as provided in subsection (e) of this section, using Class I
765 renewable energy sources as defined in section 16-1, as amended by
766 this act, from July 1, 2011, to July 1, 2013. On or before October 1, 2012,
767 the department will conduct a proceeding to determine the anticipated
768 cost to ratepayers of such facilities. Each facility shall be greater than
769 one megawatt but not more than five megawatts. Each electric
770 distribution company may enter into joint ownership agreements,
771 partnerships or other agreements with private developers to carry out
772 the provisions of this section. The aggregate ownership for an electric
773 distribution company pursuant to this section shall not exceed ten
774 megawatts, except as provided in subsection (e) of this section. The
775 department shall evaluate such proposals pursuant to sections 16-19
776 and 16-19e and may approve one or more of such proposals if it finds
777 that the proposal serves the long-term interest of ratepayers. The
778 department (1) shall not approve any proposal supported in any form
779 of cross subsidization by entities affiliated with the electric distribution
780 company, and (2) shall give preference to proposals that make efficient
781 use of existing sites and supply infrastructure. No such company may,
782 under any circumstances, recover more than the full costs identified in
783 a proposal, as approved by the department. Nothing in this section
784 shall preclude the resale or other disposition of energy or associated
785 renewable energy credits purchased by the electric distribution
786 company, provided the distribution company shall net the cost of
787 payments made to projects under the long-term contracts against the
788 proceeds of the sale of energy or renewable energy credits and the
789 difference shall be credited or charged to distribution customers
790 through a reconciling component of electric rates as determined by the
791 authority that is nonbypassable when switching electric suppliers.

792 (b) The company shall use the power, capacity and related products
793 produced by such facility to meet the needs of customers served

794 pursuant to section 16-244c.

795 (c) Notwithstanding the provisions of subdivision (1) of subsection
796 (j) of section 16-244c, the amount of renewable energy produced from
797 such facilities shall be applied to reduce the electric distribution
798 company's Class I renewable energy source portfolio standard
799 obligations.

800 (d) The department shall evaluate the proposals approved pursuant
801 to this section and report in accordance with the provisions of section
802 11-4a to the joint standing committee of the General Assembly having
803 cognizance of matters relating to energy whether proposals shall be
804 accepted beyond July 1, 2013.

805 (e) Notwithstanding the provisions of subsection (a) of this section,
806 the department may approve proposals to build, own or operate
807 generation facilities using Class I renewable energy sources that exceed
808 an aggregate of thirty megawatts, or may approve any aggregate
809 ownership for any electric distribution company owning any such
810 facility that exceeds ten megawatts, if the department determines that
811 the cost to ratepayers of any such facility is lower than the cost
812 anticipated by the department pursuant to the proceeding held in
813 accordance with subsection (a) of this section, in which case the
814 department may approve such proposals exceeding an aggregate of
815 thirty megawatts or any such ownership exceeding ten megawatts for
816 any electric distribution company by any amount of megawatts that
817 reflects the difference between the anticipated cost pursuant to any
818 proceeding conducted by the authority pursuant to subsection (a) of
819 this section after the effective date of this section to ratepayers of such
820 facility and the actual cost to ratepayers of such facility.

821 Sec. 21. Section 16a-46h of the 2012 supplement to the general
822 statutes is repealed and the following is substituted in lieu thereof
823 (*Effective from passage*):

824 Each electric, gas or heating fuel customer, regardless of heating

825 source, shall be assessed the same fees, charges, co-pays or other
 826 similar terms to access any audits administered by the Home Energy
 827 Solutions program [, provided the costs of subsidizing such audits to
 828 ratepayers whose primary source of heat is not electricity or natural
 829 gas shall not exceed five hundred thousand dollars per year] for the
 830 period of time funding is available for such audits pursuant to the
 831 comprehensive plan approved by the Commissioner of Energy and
 832 Environmental Protection in accordance with section 16-245m.

833 Sec. 22. (NEW) (*Effective July 1, 2012*) Not later than July 1, 2013, the
 834 State Building Inspector and the Codes and Standards Committee shall
 835 revise the State Building Code adopted pursuant to section 29-252 of
 836 the general statutes to (1) provide for an electric vehicle infrastructure
 837 to support any make, model or type of electric vehicle, including a
 838 plug-in electric vehicle or an electric vehicle capable of being charged
 839 by a forty-ampere, two hundred forty-volt electrical charging circuit,
 840 (2) provide for bidirectional charging without significant upgrading,
 841 provided electrical distribution companies have achieved the
 842 capability to draw electricity from electric vehicles connected to the
 843 utility grid, and (3) require all new residential and certain commercial
 844 construction to have the capacity to support such infrastructure.

845 Sec. 23. (NEW) (*Effective July 1, 2012*) Any hybrid or alternative fuel
 846 vehicle may be driven on any state limited access highway lane
 847 designated for use by high occupancy vehicles regardless of the
 848 number of occupants of such hybrid or alternative fuel vehicle. For
 849 purposes of this section, "hybrid or alternative fuel vehicle" means a
 850 passenger car that (1) is hydrogen fuel-cell powered, or (2) draws
 851 acceleration energy from two onboard sources of stored energy that
 852 consists of either an internal combustion or heat engine which uses
 853 combustible fuel and a rechargeable energy storage system.

854 Sec. 24. (NEW) (*Effective July 1, 2012*) There is established an account
 855 to be known as the "electric vehicle infrastructure support account"
 856 which shall be a separate, nonlapsing account within the General

857 Fund. The account shall contain any moneys required by law to be
858 deposited in the account. Moneys in the account shall be expended by
859 the Public Utilities Regulatory Authority for the purposes of providing
860 grants to businesses seeking to upgrade infrastructure to support the
861 use of electric and hydrogen fuel-cell powered vehicles state-wide.

862 Sec. 25. Subdivision (110) of section 12-412 of the 2012 supplement
863 to the general statutes is repealed and the following is substituted in
864 lieu thereof (*Effective July 1, 2012, and applicable to sales on and after July*
865 *1, 2012*):

866 (110) On and after January 1, 2008, and prior to July 1, [2010] 2014,
867 the sale of any hydrogen fuel cell or electric passenger motor vehicle,
868 as defined in section 14-1, [that has a United States Environmental
869 Protection Agency estimated city or highway gasoline mileage rating
870 of at least forty miles per gallon.]

871 Sec. 26. Subdivision (16) of section 38a-816 of the 2012 supplement
872 to the general statutes is repealed and the following is substituted in
873 lieu thereof (*Effective July 1, 2012*):

874 (16) Failure to pay, as part of any claim for a damaged motor vehicle
875 under any automobile insurance policy where the vehicle has been
876 declared to be a constructive total loss, an amount equal to the sum of
877 (A) the settlement amount on such vehicle plus, whenever the insurer
878 takes title to such vehicle, (B) an amount determined by multiplying
879 such settlement amount by a percentage equivalent to the current sales
880 tax rate established in section 12-408, provided the insured paid sales
881 tax on such vehicle. For purposes of this subdivision, "constructive
882 total loss" means the cost to repair or salvage damaged property, or the
883 cost to both repair and salvage such property, equals or exceeds the
884 total value of the property at the time of the loss.

885 Sec. 27. (NEW) (*Effective from passage*) (a) For the purposes of this
886 section: (1) "Level III fast charging station" means a facility for charging
887 electric vehicles with equipment that uses direct current energy from

888 an off-board charger; and (2) "off-board charger" means a device for
889 charging an electric vehicle that is not mounted inside such vehicle.

890 (b) The Commissioner of Energy and Environmental Protection
891 shall develop a plan to promote the use of electric vehicles in the state
892 and to facilitate the state-wide installation of Level III fast charging
893 stations. Such plan shall identify the resources necessary to promote
894 such state-wide installation. On or before February 1, 2013, the
895 commissioner shall submit such plan, in accordance with the
896 provisions of section 11-4a of the general statutes, to the joint standing
897 committee of the General Assembly having cognizance of matters
898 relating to energy and technology.

899 Sec. 28. Subsection (f) of section 16a-40l of the 2012 supplement to
900 the general statutes is repealed and the following is substituted in lieu
901 thereof (*Effective from passage*):

902 (f) On or before October 1, 2011, the department shall begin
903 accepting applications for financial incentives for combined heat and
904 power systems of not more than [one megawatt] five megawatts of
905 power. To qualify for such financial incentives, such combined heat
906 and power system shall reduce energy costs at an amount equal to or
907 greater than the amount of the installation cost of the system within
908 ten years of the installation. The department shall review the current
909 market conditions for such systems, including any existing federal or
910 state financial incentives, and determine the appropriate financial
911 incentives under this program necessary to encourage installation of
912 such systems. Such financial incentives may include providing private
913 financial institutions with loan loss protection or grants to lower
914 borrowing costs. Financial incentives pursuant to this subdivision shall
915 not exceed [two] five hundred dollars per kilowatt. The Department of
916 Energy and Environmental Protection shall determine any such
917 financial incentive based on criteria established by the department that
918 maximizes deployment of cost-effective combined heat and power
919 systems and encourages economic development in the state. A project

920 accepted for such incentives shall qualify for a waiver of (1) the backup
 921 power rate under section 16-243o, and (2) the requirement to provide
 922 baseload electricity under section 16-243i. Any purchase of natural gas
 923 for any combined heat and power system installed pursuant to this
 924 subdivision shall not include a distribution charge pursuant to section
 925 16-243l.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>July 1, 2012</i>	20-417d(a)
Sec. 7	<i>July 1, 2012</i>	New section
Sec. 8	<i>July 1, 2012</i>	16-32g
Sec. 9	<i>July 1, 2012</i>	16-234
Sec. 10	<i>July 1, 2012</i>	13a-140(a)
Sec. 11	<i>July 1, 2012</i>	23-65
Sec. 12	<i>July 1, 2012</i>	16-245l
Sec. 13	<i>July 1, 2012</i>	16-1(a)
Sec. 14	<i>July 1, 2012</i>	16-245a
Sec. 15	<i>from passage</i>	New section
Sec. 16	<i>July 1, 2012</i>	New section
Sec. 17	<i>July 1, 2012</i>	16-245o(f)(2)(B)
Sec. 18	<i>July 1, 2012</i>	16-244r(b)
Sec. 19	<i>July 1, 2012</i>	16-244t(b)
Sec. 20	<i>from passage</i>	16-244v
Sec. 21	<i>from passage</i>	16a-46h
Sec. 22	<i>July 1, 2012</i>	New section
Sec. 23	<i>July 1, 2012</i>	New section
Sec. 24	<i>July 1, 2012</i>	New section
Sec. 25	<i>July 1, 2012, and applicable to sales on and after July 1, 2012</i>	12-412(110)
Sec. 26	<i>July 1, 2012</i>	38a-816(16)
Sec. 27	<i>from passage</i>	New section

Sec. 28	<i>from passage</i>	16a-40l(f)
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Statement of Purpose:

To reestablish a fuel oil conservation account; to require the Public Utilities Regulatory Authority to initiate a docket concerning gas distribution line extension; to create a natural gas vehicle pilot program; to require the Department of Energy and Environmental Protection to examine the conversion of oil-heated buildings to natural gas and to increase the efficiency of heating oil use; to require the department to study barriers to participation by heating oil dealers in the promotion of energy efficiency programs; to require builders contracting for the construction of certain buildings to inform consumers of energy efficiency incentives; to require electric distribution companies to develop plans to strengthen electric infrastructure, including the development of renewable resources facilities; to modify statutes concerning tree trimming by utility companies; to encourage the use of micro-grids utilizing any combined heat and power system; to eliminate disparities between electric distribution companies concerning demand charges for geothermal systems; to exempt certain persons' use of electric distribution or transmission equipment from being considered electric distribution companies; to modify the requirements necessary to meet renewable energy portfolio standards compliance; to expand renewable energy source generation; to encourage electric vehicle use; to modify the funding provisions of the Home Energy Solutions program; to increase financial incentives for combined heat and power systems; and to fund the study of the regional independent system operator.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]